

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of)	CA No. 04-09
)	
ROBERT BUNDA and)	CONCILIATION AGREEMENT
FRIENDS OF ROBERT BUNDA)	
)	
Respondents.)	
_____)	

CONCILIATION AGREEMENT

On or around May 18, 2004, Robert Y. Watada, Executive Director for the Campaign Spending Commission ("Commission"), reviewed disclosure reports of Friends of Robert Bunda (Robert Bunda and Friends of Robert Bunda to be collectively referred to as "Bunda" or "Respondents").

NOW, THEREFORE, Bunda and the Commission, having entered into conciliation and pursuant to section 11-216(g), Hawaii Revised Statutes ("HRS"), do hereby agree as follows:

- I. That the Commission has jurisdiction over Bunda and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Bunda pursuant to section 11-216(g), HRS.
- III. That Bunda had a reasonable opportunity to demonstrate that no prior formal administrative enforcement action should be taken in this matter.
- IV. That Bunda waives the right to be heard at a contested hearing conducted under chapter 91, HRS, pursuant to section 11-228(b), HRS.
- V. That Bunda enters into this Agreement with the Commission on his own volition and with full knowledge and understanding.
- VI. The parties agree to the pertinent facts and applicable law as follows:
 - (A) The Friends of Robert Bunda is the candidate committee for State Senator Robert Bunda.

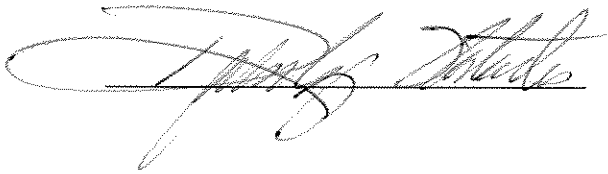
- (B) For the period covering November 4, 1998 through December 31, 2003, Bunda's disclosure reports reflect \$5,150 in campaign expenditure entries for purposes not authorized by sections 11-200 and 11-206, HRS.
- (C) That those expenditure entries are for four direct contributions totaling \$4,000 to individuals (rather than organizations), nine contributions totaling \$900 to religious organizations, and three expenditures totaling \$250 for personal expenses.
- (D) Bunda contributed \$1,000 scholarships directly to two individuals on June 25, 1990 and \$1,000 scholarships directly to two individuals on June 10, 2000. These contributions are unauthorized because contributions must be made to organizations. After an election, section 11-206(c)(1), HRS, allows surplus funds to be used for "any fundraising activity for...(a)ny contribution to any community service, educational, youth, recreational, charitable, scientific, or literary organization..." (emphasis added).
- (E) Bunda made nine contributions totaling \$900 to religious organizations from 1999 through 2001. Donations to religious organizations are prohibited by section 2-14.1-14(b)(1), Hawaii Administrative Rules, which provides that "community or charitable organizations shall not include religious organizations established to promote a religious purpose."
- (F) Bunda made three expenditures for personal expenses totaling \$250: a graduation gift (\$100) on June 5, 2000; a retirement dinner (\$50), on or around February 9, 2001; and golf expenses (\$100), on or around May 31, 2001. Section 2-14.1-15(b), Hawaii Administrative Rules, defines "personal expense" to mean "any use of campaign contributions for an expense that would exist irrespective of a candidate's campaign to seek nomination or election to office."

- (G) Bunda contends that none of the violations were knowing and willful acts to circumvent the applicable provisions of the campaign spending law but does not deny that he had knowledge of such expenditures.
- VII. As final settlement of the matters and issues in the Conciliation Agreement 04-09, Bunda understands and agrees to the following:
- (A) Bunda shall pay pursuant to section 11-228, HRS, an administrative fine of **Two Hundred Fifty Dollars (\$250)** to the Hawaii Election Campaign Fund for allegedly violating sections 11-200 and 11-206, HRS.
- (B) Payment of the assessment shall be by Order of the Commission.
- VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216, HRS, may review compliance with the Agreement. If the Commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228(c), HRS.
- IX. This Agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire Agreement.
- X. This Conciliation Agreement constitutes the entire agreement between the Commission and Bunda on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Conciliation Agreement made by either party or by agents of either party shall be enforceable.
- XI. This Conciliation Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

CA 04-09
Friends of R. Bunda

FOR THE COMMISSION:


ROBERT Y. WATADA
Executive Director



7-15-04
Date

BY THE RESPONDENTS:

ROBERT BUNDA/FRIENDS OF ROERT BUNDA

By: 
(Name/Title)

7-7-04
Date